

HOUSE BILL 2131

By McCormick

AN ACT to amend Tennessee Code Annotated, Title 53, Chapter 10; Title 53, Chapter 11 and Title 63, Chapter 10, relative to third party logistics providers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 63-10-204, is amended by adding the following language as a new, appropriately designated subdivision:

( ) "Third party logistics provider" means any person that contracts with a wholesaler or manufacturer to provide warehousing, distribution, or other logistics services on behalf of the wholesaler or manufacturer but does not take title to a drug or have responsibility to direct the sale or dispensing of a drug;

SECTION 2. Tennessee Code Annotated, Section 63-10-306(f), is amended by deleting the language "wholesalers, distributors," and by substituting instead the language "wholesalers, third party logistics providers as provided in § 63-10-311, distributors,"

SECTION 3. Tennessee Code Annotated, Title 63, Chapter 10, Part 3, is amended by adding the following language as a new section:

§ 63-10-311.

The board has the authority to license third party logistics providers upon requirements established by regulations of the board for wholesalers. This chapter and title 53 and regulations promulgated by the board pursuant to such provisions that apply to wholesalers shall apply in the same manner and to the same extent to third party logistics providers; provided, however, that a third party logistics provider is not required to comply with the record keeping requirements established by Tenn. Comp. R. & Regs. 1140-9-.05(6) except as required by federal law if the third party logistics provider is

performing a wholesale distribution of a prescription drug for a manufacturer. For purposes of this section, "wholesale distribution" means distribution of a prescription drug to persons other than a consumer or patient.

SECTION 4. For the purpose of promulgating rules, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2010, the public welfare requiring it.